

**BAL HARBOUR VILLAGE POLICE OFFICERS'
PENSION PLAN AND TRUST**

2nd Floor Conference Room
655 – 96th Street, Bal Harbour, Fl 33154
REGULAR QUARTERLY MEETING – APRIL 27TH, 2015

1. Call to Order – Chairman Paul Eppler called the meeting of the Bal Harbour Village Police Officers' Pension Plan and Trust to order at 3:06 P.M.

Roll Call – Chairman Paul Eppler, Secretary Dr. Abraham Gotman, David Levin, Daniel Gold and Hector Gonzalez.

OTHERS PRESENT: Gregg Gosch from Sawgrass Asset Management, Brendon Vavrica from Thistle Asset Consulting, Stephen H. Cypen, Esq., Attorney for the Fund and Joan L. Wall, Clerk to the Board of Trustees.

2. Additions/Deletions to Agenda. When the agenda was posted the invoice from Thistle Asset Consulting was not available. It was received the following day and included in the agenda packages, bringing the total for Warrant #088 to \$43,137.67.

3. Approval of Minutes for Meeting of January 26th, 2015. Chairman Eppler presented the minutes from the previous meeting for approval. David Levin moved to approve. Daniel Gold seconded the motion. The motion carried unanimously.

4. Approval of Warrant #088. Chairman Eppler presented Warrant #088 totaling \$43,137.67 for approval and payment. Daniel Gold moved to approve payment. Hector Gonzalez seconded the motion. The motion carried unanimously, authorizing payment of the following:

Cypen & Cypen, February, March & April, 2015 Retainers @ \$2,000	\$ 6,000.00
Joan L. Wall, 1/20 – 4/17/15, 48 hrs @\$44.99 plus expenses \$134.75	\$ 2,294.27
Sawgrass Asset Management; Investment Fee for Qtr Ending 3/31/15	\$24,870.00
Salem Trust Company, 1/1/15 – 3/31/15 Invoice	\$ 2,758.40
Thistle Asset Consulting, Inc., Performance Report for Qtr Ending 3/31/15	\$ 4,218.00
Holland & Knight, Invoice #3144875, dated 1/26/15	\$ 845.00
Holland & Knight, Invoice #3166225, dated 3/23/15	\$ 260.00
<u>TOTAL</u>	\$ 1,105.00

5. UNFINISHED BUSINESS – Approval of Addendum to Investment Management Agreement with Sawgrass Asset Management, LLC – General Liability Insurance (continued from 1/26/15 meeting). Gregg Gosch advised the matter was moot and did not require the signing of the Addendum to the Investment Management Agreement.

NEW BUSINESS

6. a) Gregg Gosch from Sawgrass Asset Management – Investment Report.

Mr. Gosch reported their returns were positive, but down from what they had anticipated due to lack of interest rate increases and their investment style was not in favor. The equity markets continued to push higher, recording a ninth consecutive positive quarter return. It is hard to justify such positive returns as prices have risen faster than earnings, pushing valuation measures above average, with investors seemingly unconcerned as it has been almost four years since equity markets have seen any meaningful pullback. A strong dollar and weak oil prices contribute to the likelihood that S&P earnings will be negative year-over-year. While recognizing that the market can continue to move higher in this low interest rate environment, Sawgrass is reticent to move up the risk scale given expanding valuations and an aging bull market.

6. b) Thistle Asset Consulting – Performance Report for quarter ending March 31st, 2015. Brendon Vavrica reviewed with those present his report. Asset allocation was Equities 59%, Fixed Income 37% and Cash 4% for a total market value of \$18,439,000. The net return for the quarter was 1.46%, one year 9.24%, three years 10.79% and five years 10.63% as compared with the policy returns of 1.23%, 9.10%, 10.53% and 10.20% for the same time periods. The plan outperformed for all time periods. All answers to the compliance report were “yes”.

6. c) Review/Accept – Net DROP return of +1.46% for the quarter ending March 31st, 2015. Daniel Gold moved to accept. Hector Gonzalez seconded the motion. The motion carried unanimously.

6. d) Schools/Conferences

- **FPPTA**

- 13th Annual Fishing Tournament, 5/1 – 3/2015, Tarpon Lodge, Pine Island
- 31st Annual Conference, 6/28 – 7/1/2015, Boca Raton Resort & Club, Boca Raton

- **Division of Retirement** – 36th Annual Police Officers’ & Firefighters’ Pension Trustees’ School, 6/2 – 4/2015, Tallahassee, FL

7. Input from Active/Retired Members – None.

8. Trustees' Concerns. Hector Gonzalez stated he was still concerned about the Salem Trust issues and moved to obtain proposals for custody services. David Levin seconded the motion, stating he felt it was the board's fiduciary duty to do so. The motion carried unanimously. Mr. Vavrica recommended Regions, 5th/3rd Bank, Bank of New York and Fiduciary Trust.

9. Public Comments – None.

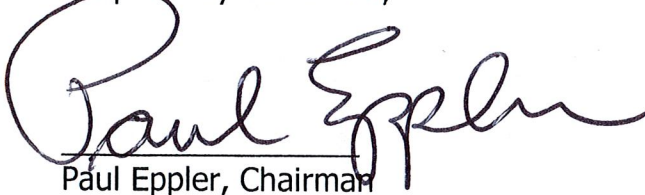
10. REPORTS

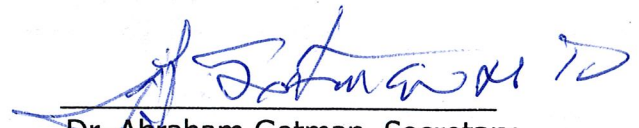
- **Attorney** – March 23rd, 2015 Memorandum from Attorney Cypen regarding *IRS Apparently Resolves DROP Issues*, was included in the agenda packages.
- **Board Clerk**
 - Annual Affidavits received with the exception of Rafael A. Cubela. Chairman Eppler called Mr. Cubela, who promised to take care of the matter immediately.
 - 2014 Annual Report was filed
 - 2/27/15 Notice from Salem Trust regarding a need to reissue Forms 1099R due to errors of tax classification
- **Other** – None.

11. Next Meeting Date/Adjournment. Chairman Eppler announced the next regular quarterly meeting would be Monday, July 27th, 2015. David Levin stated he would be out of town at that time, and would try to participate by speakerphone. The clerk advised copies of the custodial proposals would be forwarded to him ahead of time.

There being no further business before the board, Hector Gonzalez moved to adjourn at 3:40 P.M. David Levin seconded the motion. The motion carried unanimously.

Respectfully submitted,


Paul Eppler, Chairman


Dr. Abraham Gotman, Secretary